

JO-CARROLL ENERGY, INC. (NFP)
Board Meeting Minutes Summary
February 21, 2018

The board met on Wednesday, February 21, 2018, at the Jo-Carroll Energy Headquarters. The following is a summary of the meeting activities. The Agenda, as amended, and the Consent Agenda were approved.

Presentation- Peggy Francomb, Manager of Communications provided a summary on the fiber build out area, noting that several areas are on the verge of making it to the sign-up phase. Francomb discussed the connectsp.com website for members interested in fiber. Francomb expressed that this is a grassroots effort and it will take involvement from communities and members to expand fiber in our service area. Francomb also discussed legislative efforts to increase broadband deployment in rural areas.

Chairman's Report – Chairman Senn discussed the board evaluation process, which includes a peer assessment component. Senn noted how well this assessment has worked with other cooperatives.

AIEC (Association of Illinois Electric Cooperatives) and NRECA Report – Senn provided an update on Spoon River Electric Cooperative changing their method of recovering fixed infrastructure costs.

Dairyland Report – No report presented.

APGA Report – Director Carroll provided an update on regulatory matters being followed by the American Public Gas Association (APGA).

PPI Report – Director Hallendorff reported on Prairie Power Inc. (PPI's) most recent generation figures and provided operational highlights from Prairie State Units 1 and 2. Hallendorff also discussed the percentage of PPI's generation that comes from renewables.

Policy Committee Update –

- a. **Policy 102** – A motion was made and seconded to approve Policy 102 as amended. A motion to further amend Policy 102 was made and seconded. Both motions carried unanimously.
- b. **Policy 102 B** – A motion was made, seconded and carried unanimously to approve Policy 102 B.
- c. **Policy 115** – A motion was made, seconded and carried unanimously to approve Policy 115.

- d. **Policy 120** – A motion was made, seconded and carried unanimously to approve Policy 120 as amended.

CEO's Report –

- a. **Financial Operating Report** – CFO Woods reported on the Cooperative's operating margins for January. The current equity of the cooperative is approximately 24.80%, compared to 23.91% at this time last year. By general consent, the board moved to file the financial operating report with the auditor. Woods also commented that operations and maintenance expenses were slightly less than budgeted.
- b. **Technical Presentation** – V.P. Buros provided a presentation on solar power and discussed the Future Energy Jobs Act.

Operations & Regulatory/Legislative Update –

- a. **Senior Vice President and Assistant General Manager** – Buros provided information on Jo-Carroll Energy's Strategic Goals and Initiatives. Staff has taken a different approach to meet the objectives, which seeks to engage more employees in the process. Staff anticipates providing an outline of the initiatives at the next board meeting.
- b. **External Relations Update** – Chris Allendorf, Vice President of External Relations & General Counsel, provided the board with an overview of matters concerning the State of Illinois and the federal government. Allendorf noted that rural broadband is a trending topic at the federal level, which will hopefully translate to new opportunities for the cooperative to expand rural access to broadband. TCEDA will be unveiling the new branding of the organization during its annual meeting on March 15. The Build It Grow It campaign is also expanding. Allendorf also discussed the first-ever Legislative Day being held by the AIEC in May, where Illinois cooperative staff will have the opportunity to meet with state legislators and discuss issues of concern.

Board Issues

- a. **Discounted Estate Capital Credit Retirements** – A motion was made, seconded, and carried unanimously to approve the discounted estate retirements as presented.
- b. **Metering Equipment Transfer to Dairyland** – A motion was made, seconded, and carried unanimously to approve the metering equipment transfer to Dairyland.
- c. **Approve Credentials and Election Committee** – A motion was made, seconded, and carried unanimously to approve the credentials and election

committee.

- d. **Director AD&D** – VP of Human Resources Sevey discussed the Director AD&D policy that's currently in place.

Executive Session– None.

Adjournment

Chairman Senn adjourned the meeting at 11:30 A.M.